



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**State Capitol
NASHVILLE, TENNESSEE 37243-0285**

**DAVE GOETZ
COMMISSIONER**

**FOR IMMEDIATE RELEASE
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JULY REVENUES

NASHVILLE, Tenn. – On an accrual basis July is the twelfth month in the 2003-2004 fiscal year. Department of Revenue tax collections were \$712.3 million.

July revenues were \$568,000 less than the budget estimates, Finance and Administration Commissioner Dave Goetz announced today. The general fund had a \$2.5 million undercollection and the four other funds overcollected by \$2 million.

Sales tax collections were \$18.2 million more than the budgeted estimate in July. For twelve months revenues are overcollected by \$186.6 million.

Franchise and excise tax collections of \$32.6 million were \$26.6 million less than the budgeted estimate for the month. Revenues are overcollected by \$113.3 million for twelve months.

Gasoline taxes and motor vehicle registrations were \$1.2 million more than the budgeted estimates of \$90.2 million in July.

Year-to-date collections for twelve months are \$380.3 million more than the budgeted estimates. The general fund is overcollected by \$353.5 million and the four other funds are overcollected by \$26.8 million. Sales tax estimates for the year are corrected by \$10.3 million to account for allocations to the telecommunication ad valorem tax reduction fund.

The budgeted revenue estimates are based upon the State Funding Board's consensus recommendation adopted by the first session of the 103rd General Assembly in May of last year. Actual collections for fiscal year 2003-2004 are subject to final accrual adjustments.

<p align="center">REVENUE COLLECTIONS JULY, 2004, AND 12 MONTHS YEAR-TO-DATE</p>

July Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$584,444,000	\$581,914,000	(\$2,530,000)
Highway Fund	53,554,000	54,564,000	1,010,000
Sinking Fund	18,659,000	18,790,000	131,000
City & County Fund	52,692,000	53,378,000	686,000
Earmarked Fund	3,538,000	3,673,000	135,000
Total	\$712,887,000	\$712,319,000	(\$568,000)

Year-To-Date Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$7,222,800,000	\$7,576,273,000	\$353,473,000
Highway Fund	630,900,000	637,642,000	6,742,000
Sinking Fund	222,000,000	223,396,000	1,396,000
City & County Fund	633,000,000	650,179,000	17,179,000
Earmarked Fund	32,000,000	33,537,000	1,537,000
Total	\$8,740,700,000	\$9,121,027,000	\$380,327,000

Table 1
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	July			
	2003	2004	Change	Percent
Franchise & Excise	\$52,242,000	\$32,557,000	-\$19,685,000	-37.68%
Income	968,000	783,000	-185,000	-19.11%
Inheritance & Estate	3,246,000	8,464,000	5,218,000	160.75%
Gasoline	52,517,000	50,514,000	-2,003,000	-3.81%
Petroleum Special	5,248,000	5,324,000	76,000	1.45%
Tobacco	10,299,000	10,694,000	395,000	3.84%
Beer	1,431,000	1,717,000	286,000	19.99%
Motor Vehicle Registration	17,307,000	19,480,000	2,173,000	12.56%
Motor Vehicle Title	1,041,000	963,000	-78,000	-7.49%
Mixed Drink	3,207,000	3,493,000	286,000	8.92%
Business	2,016,000	4,381,000	2,365,000	117.31%
Privilege	22,638,000	24,417,000	1,779,000	7.86%
Gross Receipts	6,730,000	5,592,000	-1,138,000	-16.91%
TVA - In Lieu of Tax Payments	16,407,000	16,755,000	348,000	2.12%
Alcoholic Beverage	3,030,000	3,263,000	233,000	7.69%
Sales and Use	487,051,000	507,363,000	20,312,000	4.17%
Motor Vehicle Fuel	14,361,000	16,370,000	2,009,000	13.99%
Severance	60,000	100,000	40,000	66.67%
Coin-operated Amusement	334,000	89,000	-245,000	-73.35%
Total	\$700,133,000	\$712,319,000	\$12,186,000	1.74%

Table 2
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	August - July			
	2002-2003	2003-2004	Change	Percent
Franchise & Excise	\$1,084,972,000	\$1,181,889,000	\$96,917,000	8.93%
Income	116,774,000	139,805,000	23,031,000	19.72%
Inheritance & Estate	81,753,000	101,752,000	19,999,000	24.46%
Gasoline	600,932,000	600,937,000	5,000	0.00%
Petroleum Special	60,698,000	62,555,000	1,857,000	3.06%
Tobacco	114,467,000	119,877,000	5,410,000	4.73%
Beer	17,742,000	18,040,000	298,000	1.68%
Motor Vehicle Registration	226,831,000	240,501,000	13,670,000	6.03%
Motor Vehicle Title	10,978,000	11,284,000	306,000	2.79%
Mixed Drink	38,484,000	40,842,000	2,358,000	6.13%
Business	40,273,000	94,825,000	54,552,000	135.46%
Privilege	248,611,000	276,874,000	28,263,000	11.37%
Gross Receipts	17,631,000	16,211,000	-1,420,000	-8.05%
TVA - In Lieu of Tax Payments	198,638,000	202,395,000	3,757,000	1.89%
Alcoholic Beverage	34,731,000	36,426,000	1,695,000	4.88%
Sales and Use	5,455,184,000	5,806,503,000	351,319,000	6.44%
Motor Vehicle Fuel	154,765,000	168,758,000	13,993,000	9.04%
Severance	1,053,000	1,102,000	49,000	4.65%
Coin-operated Amusement	776,000	451,000	-325,000	-41.88%
Total	\$8,505,293,000	\$9,121,027,000	\$615,734,000	7.24%

Table 3
August - July Revenue Overcollections/(Undercollections)
Budgeted Estimate

	General Fund	Other Funds	Total
Sales Tax	\$ 178,500,000	\$ 8,100,000	\$ 186,600,000
Income Tax	14,400,000	4,300,000	18,700,000
Inheritance Tax	26,800,000	0	26,800,000
Privilege Tax	25,700,000	1,600,000	27,300,000
Business Tax	(1,600,000)	0	(1,600,000)
TVA	(1,300,000)	(900,000)	(2,200,000)
Gross Receipts	(3,200,000)	0	(3,200,000)
Gasoline & Motor Vehicle Registration	500,000	13,200,000	13,700,000
Other Taxes	400,000	500,000	900,000
Sub-Total	\$ 240,200,000	\$ 26,800,000	\$ 267,000,000
F & E Taxes	113,300,000	0	113,300,000
Total	\$ 353,500,000	\$ 26,800,000	\$ 380,300,000